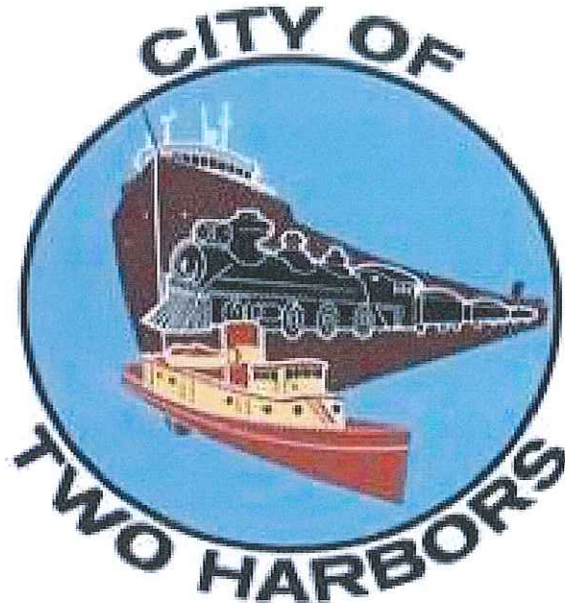


2018 Street & Alley Project Public Improvement Hearing

January 29, 2018





Agenda

- Background
- Proposed Improvements
- Estimated Costs
- Assessment Review
- Property Owner Rights
- Schedule





Background

- Capital Improvement Plan (CIP)
 - Original 5-year Plan (2017 – 2021)
 - 2017 Street and Alley Project
 - Updated 5-Year Plan (2018 – 2022)
 - Open House Meeting – December 5, 2017
- Special Assessment Policy
 - Adopted February 2017





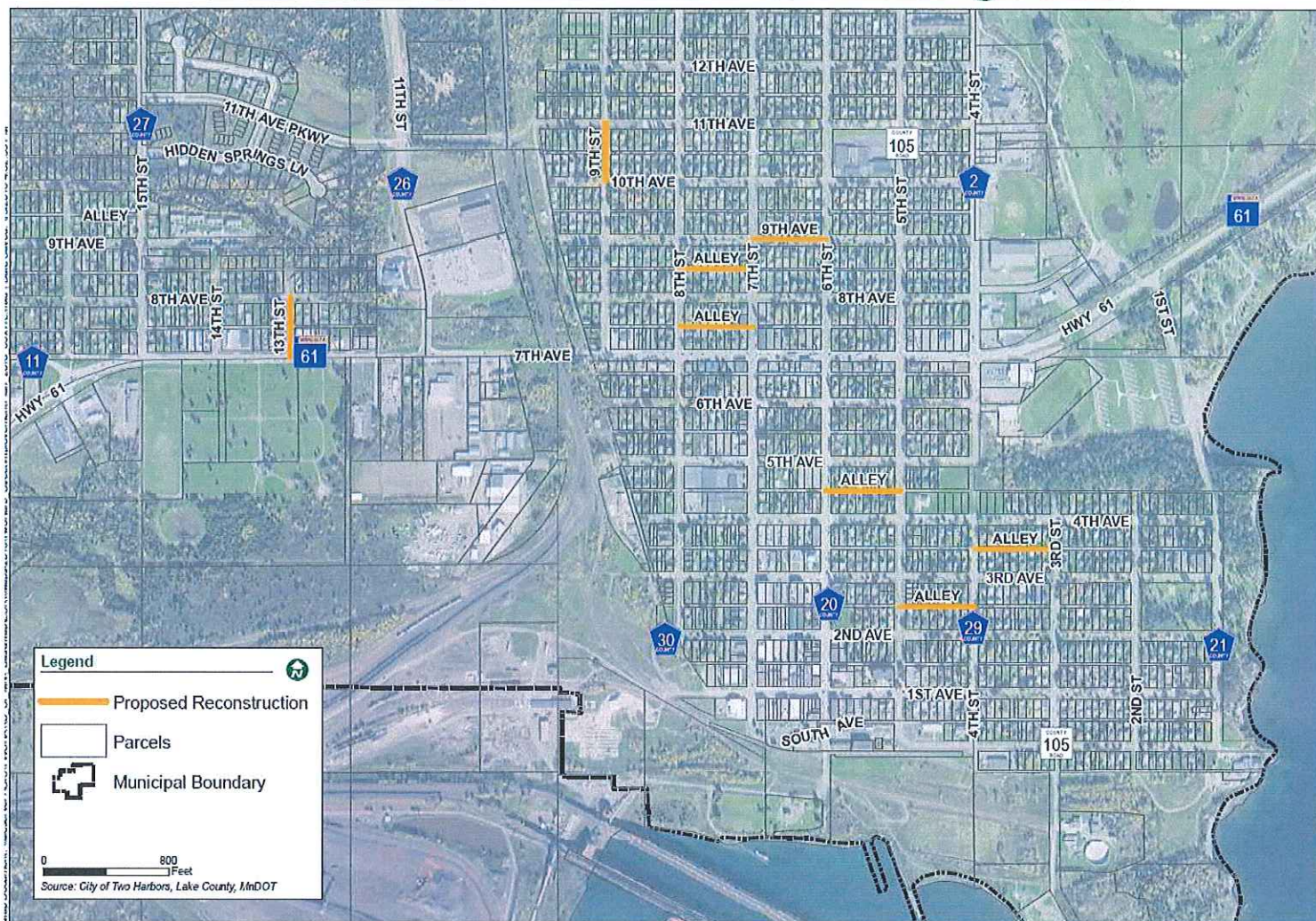
Background

- Feasibility Report
 - Existing Conditions
 - Proposed Improvements
 - Estimated Costs
 - Financing
- Ordered by City Council – October 5, 2017
- Accepted by City Council – January 22, 2018
- Copies available at City Hall for review



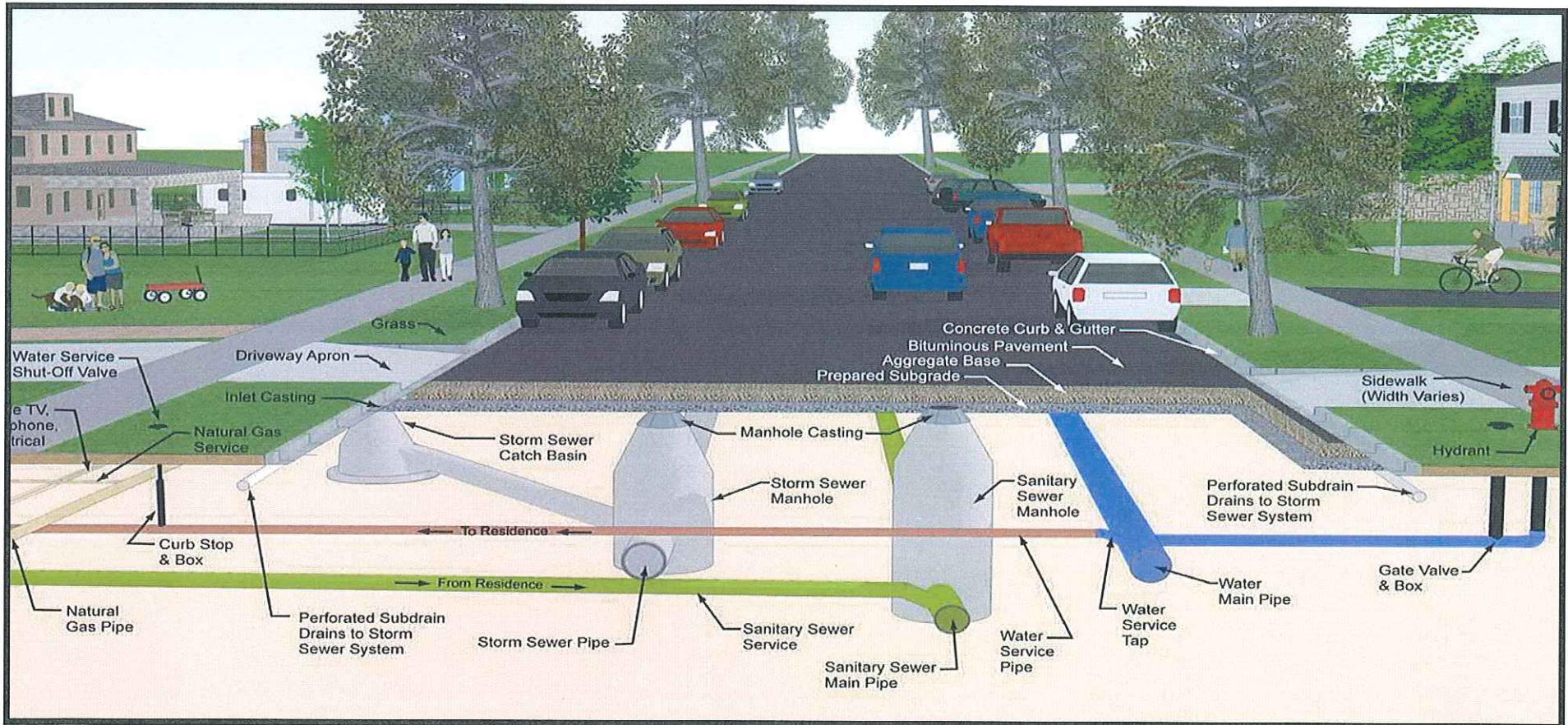


Proposed 2018 Project



Proposed Improvements

- What is under a typical City Street?





Proposed Improvements

9th Avenue: 6th St. to 7th St.

- Water System
 - Complete replacement of water main.
 - Replacement of individual service lines.
 - Partial length – from main to shut off.
- Sanitary Sewer
 - Complete replacement of mains and manholes.
 - Replacement of individual service lines.
 - Partial length – to same location as water shut off.





Proposed Improvements

9th Avenue: 6th St. to 7th St.

- Storm Sewer
 - Replacement and upgrades at both intersections.
 - No new storm sewer along 9th Avenue.
- Sidewalk
 - Complete replacement of walks from 6th St. to 7th St.
 - Reconnection to existing private walks at residences.
 - Upgrades to walks and ped ramps at intersections.
 - ADA compliance.





Proposed Improvements

9th Avenue: 6th St. to 7th St.

- Street
 - Complete reconstruction of structural section.
 - Complete replacement of concrete curb and gutter.

- Street Width
 - Existing approximately 26-feet between curbs.
 - Final decision on proposed width yet to be made.
 - Recommendation is 28-feet between curbs.
 - Could remove no parking restriction on north side.

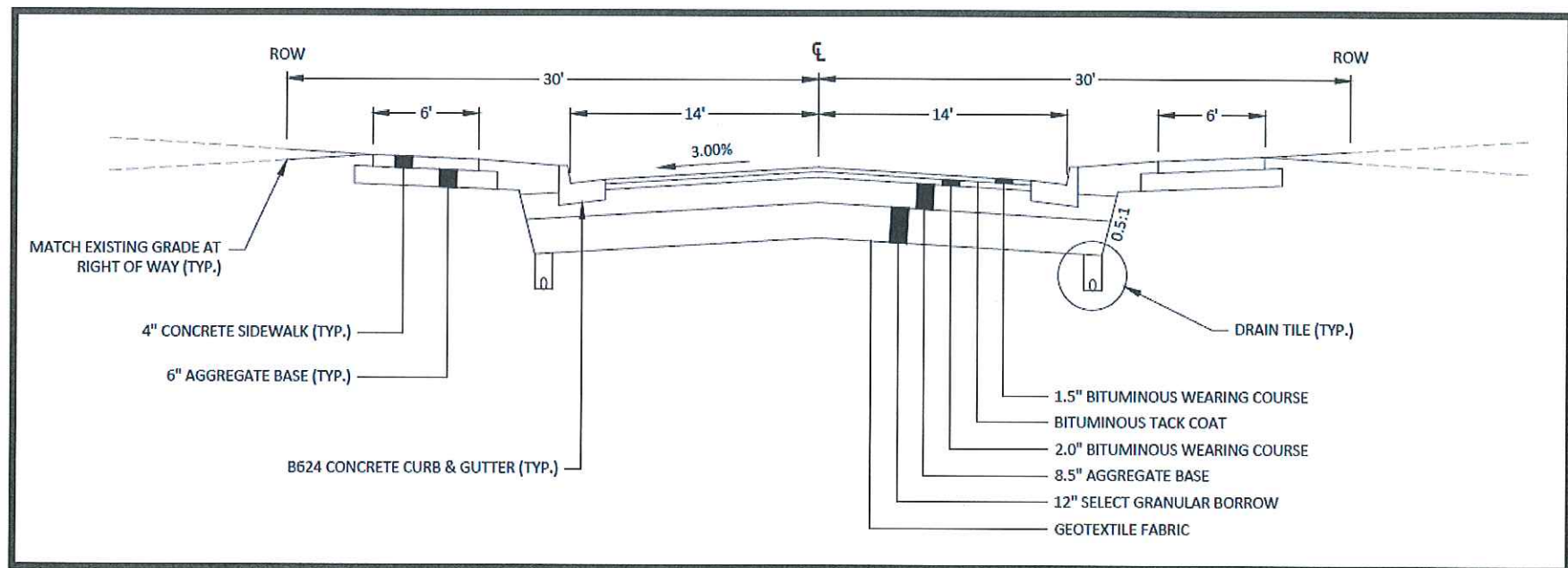




Proposed Improvements

9th Avenue: 6th St. to 7th St.

- Proposed typical section:





Proposed Improvements

9th Street: 10th Ave. to 11th Ave.

- Street
 - Complete reconstruction of structural section.
 - Installation of new concrete curb and gutter.
 - Width – proposed to match existing.
- Storm Sewer
 - Updates to storm sewer at 11th Avenue intersection.
 - Installation of a concrete cross-gutter at 10th Avenue.





Proposed Improvements

9th Street: 10th Ave. to 11th Ave.

- No sanitary sewer or water improvements.
- Sidewalk
 - Upgrades to walks and ped ramps at 10th Avenue.
 - Optional sidewalk being considered along 9th Street.
 - Feasible along either side.
 - Recommendation would be east side.

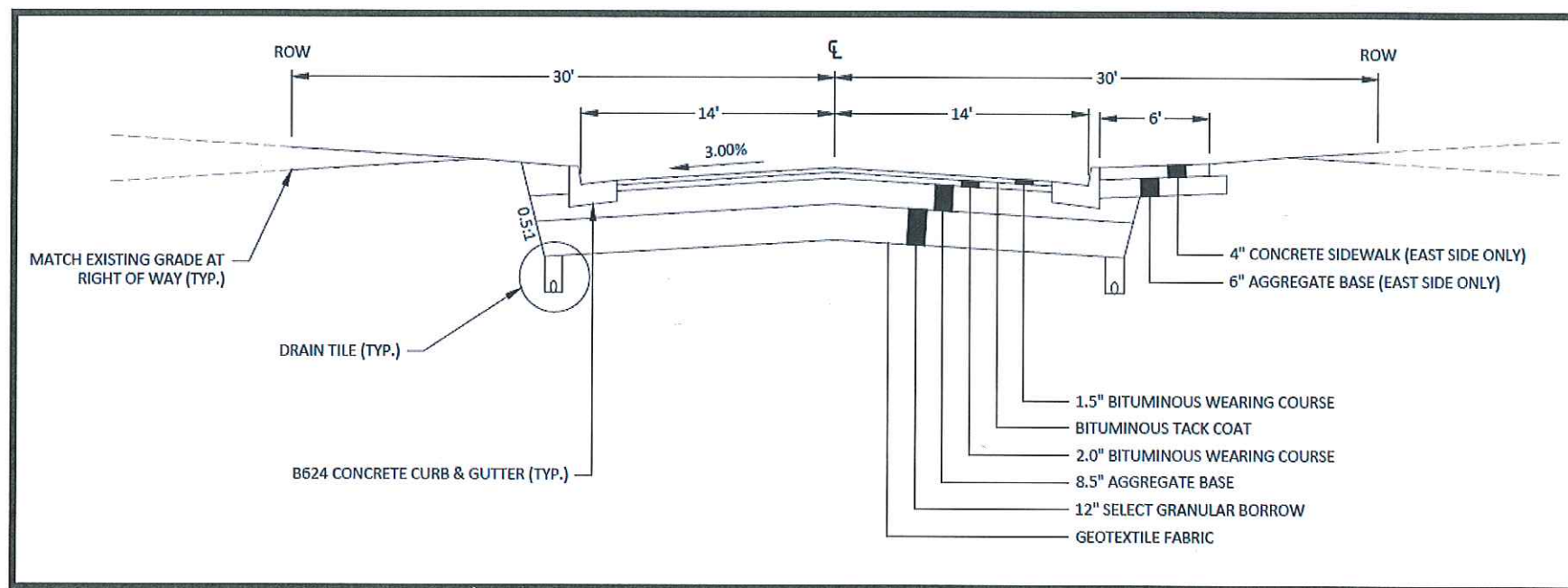




Proposed Improvements

9th Street: 10th Ave. to 11th Ave.

- Proposed typical section:





Proposed Improvements

13th Street: 7th Ave. to 8th Ave.

- Water System
 - No improvements proposed.
- Sanitary Sewer
 - Replacement of mains for short distance along alleys.
 - Impacts two services on west side of 13th Street.
 - Services will be replaced with new materials as necessary to reconnect them to the main.





Proposed Improvements

13th Street: 7th Ave. to 8th Ave.

- Street
 - Complete reconstruction of structural section.
 - Installation of new concrete curb and gutter.
 - Width – proposed to match existing.
- Sidewalks
 - No proposed improvements.





Proposed Improvements

13th Street: 7th Ave. to 8th Ave.

- Storm Sewer
 - Replacement of culvert at 7th Avenue.
 - Extension of new storm sewer to north of alley.
 - Replacement of existing culverts under 8th Avenue and driveway at 1302 8th Avenue.
- Ditch along west side
 - Eliminated south of alley.
 - Maintained north of alley.

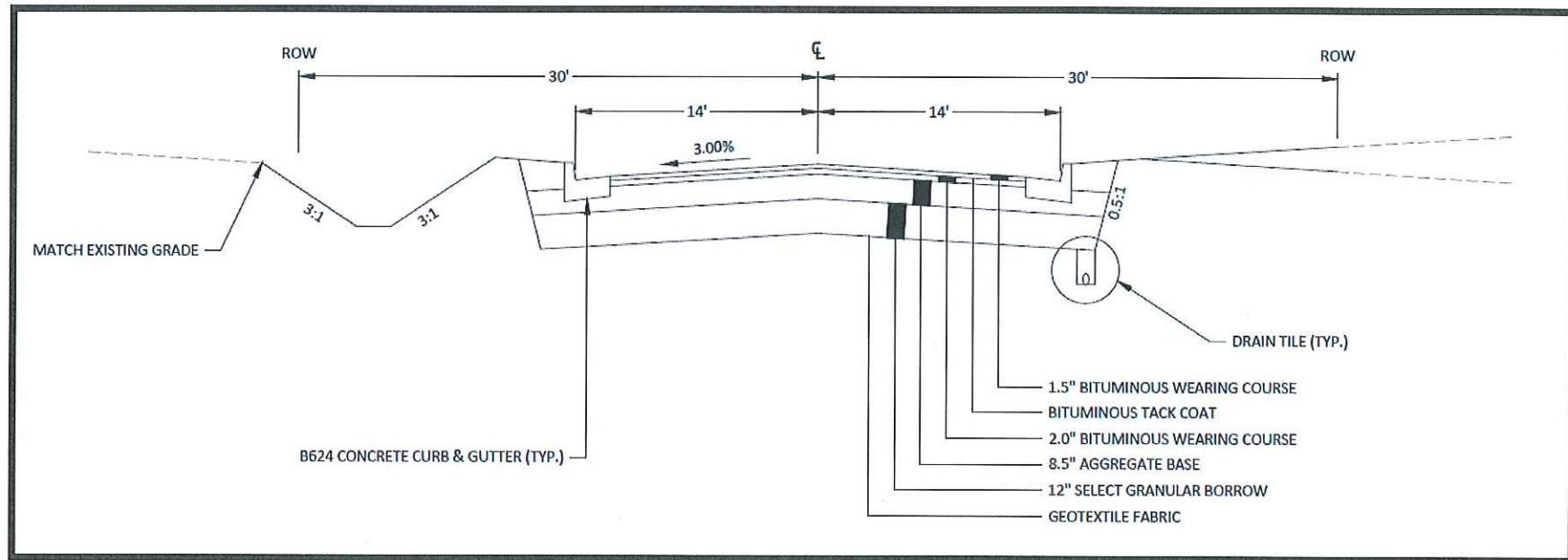




Proposed Improvements

13th Street: 7th Ave. to 8th Ave.

- Proposed typical section:





Proposed Improvements

Alleys

- 5 segments of alleys included in project:
 - North of 2nd Avenue, from 4th Street to 5th Street
 - North of 3rd Avenue, from 3rd Street to 4th Street
 - North of 4th Avenue, from 5th Street to 6th Street
 - North of 7th Avenue, from 7th Street to 8th Street
 - North of 8th Avenue, from 7th Street to 8th Street





Proposed Improvements

Alleys

- Complete reconstruction of structural section.
- Proposed width 16-feet.
 - Existing encroaching landscaping will be removed.
- No curb and gutter.
- New concrete apron at each end, with sidewalk repair.





Proposed Improvements

Alleys

- No sanitary sewer or water improvements.
- Storm sewer
 - Proposed on west half of alley North of 8th Avenue.
- Gas and electric utilities are located in alleys.
 - No proposed replacements as part of this project.





Proposed Improvements

Alleys

- Surface options
 - Standard surfacing for alleys is gravel.
 - An option for installing bituminous pavement on each of the 5 alleys is included in the Feasibility Report.
 - City Council will make final determination on surface to be constructed if project proceeds.

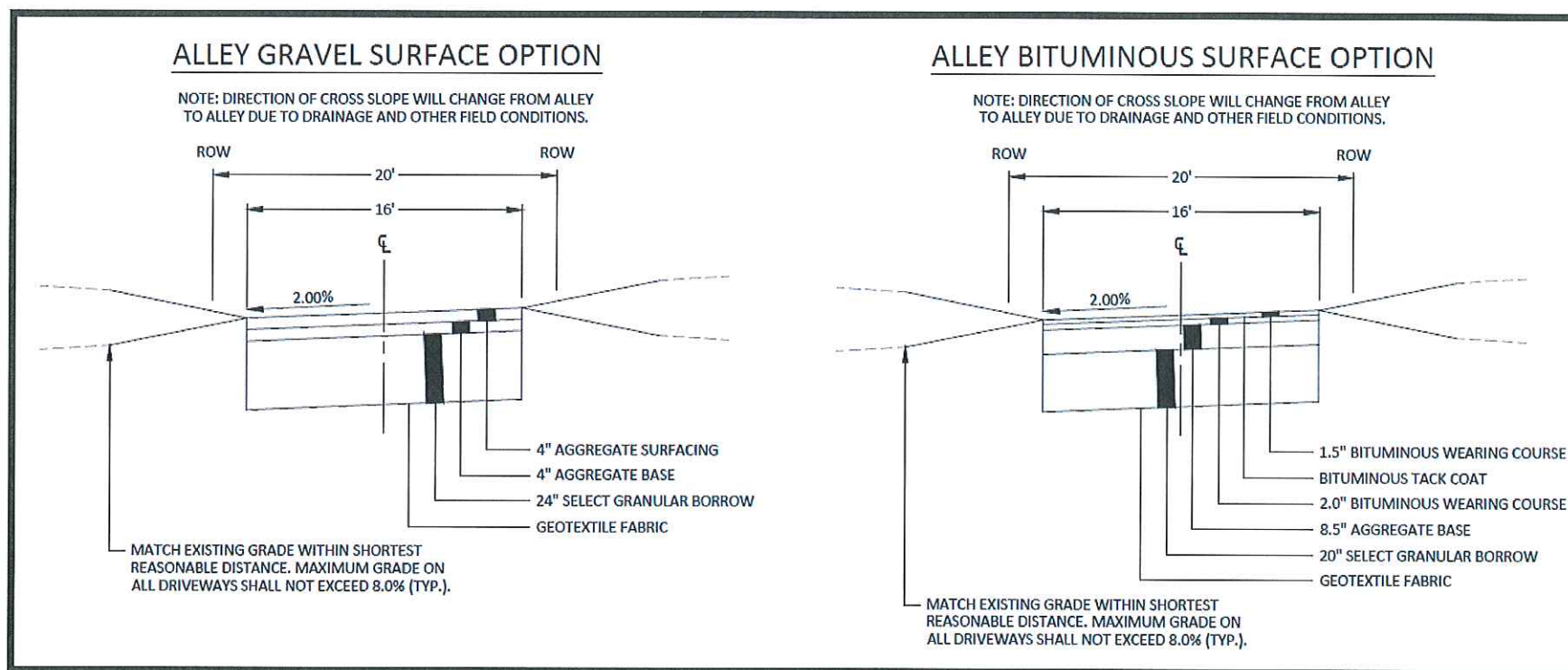




Proposed Improvements

Alleys

- Proposed typical section:





Driveways

- Driveways impacted by work will be repaired.
- Material of repair will match existing material:
 - Concrete, bituminous, or gravel.
- Width of repair will match existing driveway width.
- Length of repair will be as necessary to achieve acceptable slope.





Trees

- Approach will be to preserve as many as practical.
- Some trees will be impacted by work and will need to be removed.
- Need to consider:
 - Long-term health of the tree.
 - Public safety.
 - Location of improvements, especially utility services.
 - Potential impacts on the public investment being made.





Estimated Costs

- Detailed cost estimates are provided in Appendix B of the Feasibility Report.
 - By project segment.
 - By type of improvement.
- For this presentation, summary by segment is shown on the following table.





Estimated Costs

Estimated Total Project Costs Summary by Segment	
Segment	Estimated Cost
9 th Avenue: 6 th St. to 7 th St.	\$590,610
9 th Street: 10 th Ave. to 11 th Ave.	\$171,530
13 th Street: 7 th Ave. to 8 th Ave.	\$298,710
Alley North of 2 nd Avenue: 4 th St. to 5 th St.	\$97,660
Alley North of 3 rd Avenue: 3 rd St. to 4 th St.	\$127,440
Alley North of 4 th Avenue: 5 th St. to 6 th St.	\$80,680
Alley North of 7 th Avenue: 7 th St. to 8 th St.	\$88,460
Alley North of 8 th Avenue: 7 th St. to 8 th St.	\$143,780
Total Estimated Costs (Base Improvements)	\$1,598,870





Estimated Costs

Optional 9th Street Sidewalk

- Slightly lower estimated cost on west side.
- In consideration of overall sidewalk network, recommendation is on east side.

Estimated Costs		
Optional Sidewalk – 9 th Street		
Item	West Side	East Side
Street Cost Adjustment	\$(520)	\$2,440
Sidewalk Cost	\$18,500	\$20,730
Net Impact to Project Cost	\$17,980	\$23,170





Estimated Costs

Optional Alley Paving

Estimated Costs Optional Bituminous Alley Pavement	
Alley Segment	Estimated Cost
North of 2 nd Avenue: 4 th St. to 5 th St.	\$15,440
North of 3 rd Avenue: 3 rd St. to 4 th St.	\$18,150
North of 4 th Avenue: 5 th St. to 6 th St.	\$16,020
North of 7 th Avenue: 7 th St. to 8 th St.	\$16,020
North of 8 th Avenue: 7 th St. to 8 th St.	\$16,020
Total Estimated Costs – Bituminous Pavement In Alleys	\$81,650





Financing

- City will finance entire cost of project up front.
 - Bonds.
 - Fund reserves.
 - Combination.
- City proposes to recover a portion of the project costs through assessments to benefitted properties.
 - Per Minnesota State Law, Statute Chapter 429.
 - Per adopted Two Harbors Special Assessment Policy.





Assessments

- Properties proposed for assessment:
 - Directly abutting project segments.
 - Non-buildable parcels are excluded.
- Method of assessment proposed:
 - Per Lot Count.
 - All lots within a project segment considered equal.





Assessments

Lot Count for Assessment Summary by Segment	
Segment	Number of Lots
9 th Avenue: 6 th St. to 7 th St.	16
9 th Street: 10 th Ave. to 11 th Ave.	4
13 th Street: 7 th Ave. to 8 th Ave.	4
Alley North of 2 nd Avenue: 4 th St. to 5 th St.	16
Alley North of 3 rd Avenue: 3 rd St. to 4 th St.	18
Alley North of 4 th Avenue: 5 th St. to 6 th St.	16
Alley North of 7 th Avenue: 7 th St. to 8 th St.	16
Alley North of 8 th Avenue: 7 th St. to 8 th St.	16
Total Number of Lots Proposed for Assessment	106





Assessments

- Portion of cost proposed for assessment:
 - 50% of cost:
 - 9th Avenue (street and curbs).
 - Alleys.
 - Sidewalks.
 - Storm Sewer.





Assessments

- 25% of cost:
 - 9th Street (street and curbs).
 - 13th Street (street and curbs).
 - Sanitary sewer mains.
 - Water mains.
- 100% of cost:
 - Sanitary sewer individual services.
 - Water system individual services.





Assessments

- Complete mock assessment roll is provided in Appendix C of the Feasibility Report.
 - Lists parcels by Identification No., address, and owner.
 - Assessment by type of improvement for each property.
 - Total estimated assessment for each property.
- For this presentation, summary of total assessments by segment is shown.





Assessments

9th Avenue: 6th St. to 7th St.

- Total per lot NOT including services: \$13,482.97.
 - Sanitary sewer and water service estimated costs:
 - \$4,275.00 for properties on north side of street.
 - \$5,675.00 for properties on south side of street.
- Total estimated assessments including services:
 - \$17,757.97 for properties on north side of street.
 - \$19,157.97 for properties on south side of street.





Assessments

9th Street: 10th Ave. to 11th Ave.

- Total estimated assessment per lot: \$12,963.13.
 - Does not include optional sidewalk.
- If optional sidewalk assessed per City Policy:
 - \$2,280.00 per lot if sidewalk on west side.
 - Total of \$15,243.13 per lot.
 - \$2,743.75 per lot if sidewalk on east side.
 - Total of \$15,706.88 per lot.





Assessments

13th Street: 7th Ave. to 8th Ave.

- Total estimated assessment per lot: \$22,969.38.
 - Does not include sanitary sewer service.
 - Sanitary sewer service estimated cost:
 - \$1,340.00 for properties on west side of street.
- Total estimated assessments including services:
 - \$24,309.38 for properties on west side of street.





Assessments

Alleys – Gravel Surface

- Total estimated assessment per lot for each alley:
 - Alley North of 2nd Avenue: \$3,051.88
 - Alley North of 3rd Avenue: \$3,540.00
 - Alley North of 4th Avenue: \$2,521.25
 - Alley North of 7th Avenue: \$2,764.38
 - Alley North of 8th Avenue: \$4,493.13
 - \$1,057.81 is due to storm sewer.
 - \$3,435.32 without storm sewer, for comparison.





Assessments

Summary by Segment

Estimated Assessments Summary by Segment	
Segment	Assessment Per Lot
9 th Avenue (including utility service)	\$17,757.97 (North) \$19,157.97 (South)
9 th Street	\$12,963.13 (without sidewalk)
13 th Street (including sewer service)	\$22,969.38 (East) \$24,309.38 (West)
Alley North of 2 nd Avenue	\$3,051.88 (gravel surface)
Alley North of 3 rd Avenue	\$3,540.00 (gravel surface)
Alley North of 4 th Avenue	\$2,521.25 (gravel surface)
Alley North of 7 th Avenue	\$2,764.38 (gravel surface)
Alley North of 8 th Avenue	\$4,493.13 (gravel surface)





Assessments

Alleys – Bituminous Surface

- If alleys were paved with bituminous, City would need to determine portion to assess to properties.
 - Assessment Policy states 100% of cost, if paving is petitioned by the property owners.
 - Assessment Policy is silent if the paving is initiated by the City.
 - May be appropriate to consider 50% assessment, similar to street improvements.





Assessments

Alleys – Bituminous Surface

- Following table shows estimate per lot for bituminous paving in alleys, assessed at either 50% or 100%.

Estimated Assessment Per Lot Alleys - Bituminous Pavement		
Segment	50% Assessed	100% Assessed
Alley North of 2 nd Avenue	\$482.50	\$965.00
Alley North of 3 rd Avenue	\$504.17	\$1,008.33
Alley North of 4 th Avenue	\$500.63	\$1,001.25
Alley North of 7 th Avenue	\$500.63	\$1,001.25
Alley North of 8 th Avenue	\$500.63	\$1,001.25





Assessments

Additional Information

- Term for repayment:
 - Anticipated term is 15 years.
- Interest
 - If the City borrows money to fund the improvements, assessments will have an interest rate 1% higher than the rate the City is paying.
 - Property owner can pay off assessment in any year to avoid interest on remaining years.





Assessments

Additional Information

- Assessment term is 15 years, which is 180 months.
- Based on this, the monthly value of the estimated assessments (not including interest) are:
 - Alleys: \$14 to \$25 per month.
 - 9th Street: \$72 per month.
 - 9th Avenue: \$99 to \$106 per month.
 - 13th Street: \$127 to \$135 per month.





Assessments

Additional Information

- Assessments are only preliminary estimates.
- City will take preliminary assessment roll under advisement.
 - Will consider if any modifications are appropriate.
- Any modifications directed by the City can be incorporated into the final assessment calculations.





Project Outline

- Brief outline of MN Statute Chapter 429 project:
 - Feasibility Report is ordered and prepared.
 - Identifies estimated assessments.
 - Public Hearing (tonight's meeting).
 - Order project.
 - Solicit and receive bids.
 - Calculate final assessments.
 - Public Assessment Hearing (before or after construction).
 - Certify Assessment Roll.





Property Owner Rights

- Each property owner has rights under Chapter 429.
- Right to object to assessment.
- Objection must be filed in writing.
 - After final assessments are noticed.
 - Prior to closing of assessment hearing.





Property Owner Rights

- Property owner who have objected to assessment may then proceed with formal appeal of assessment.
 - Appeal must be filed within 30-days of public hearing.
- Proposed assessment cannot exceed the increase in market value of the property due to the improvement.





Project Schedule

- January 29, 2018 Public Improvement Hearing.
- January 29, 2018 Approve Report. Order Project.
- March 26, 2018 Approve Plans.
- April 24, 2018 Open Bids.
- May 14, 2018 Award Contract.
- June 1, 2018 Start Construction.
- October 12, 2018 Construction Substantially Complete.
- October 2018 Determine Final Assessments.
- November 12, 2018 Hold Public Assessment Hearing.





Next Steps

- Approve Feasibility Report.
 - Can occur anytime after close of Public Hearing.
- Order Project.
 - If ordered, detailed construction plans are prepared.
 - Plans brought to City Council for review & approval.
- Neighborhood Meeting
 - Prior to start of construction.



Questions / Discussion

